

TAB

Page 3

**PAYROLL AND ANNUITY COSTS FOR RETIREMENT WITH FIVE YEARS OF SERVICE  
COMPARED TO COSTS FOR RETIREMENT WITH TEN YEARS AND WITH FIFTEEN YEARS OF SERVICE  
(COMPARATIVE COSTS FOR YEARS RETAINED ONLY AND FOR ANNUITY PROJECTED TO AGE 65)**

(Age at 5 Years Service) and Grade at Retire- ment	PAYROLL COSTS IF RETAINED:		(Annuity Rate) and ANNUITY COSTS If Retired with 5 Years Service:		EXCESS OF PAYROLL COSTS OVER ANNUITY IF RETAINED AFTER 5 Years to Permit Retirement with:		(Years to Reach Age 65) and ANNUITY COSTS PROJECTED TO AGE 65 IF RETIRED with Total Service of:			EXCESS OF COMBINED PAYROLL AND ANNUITY COSTS OVER ANNUITY COSTS PROJECTED TO AGE 65 IF RETAINED:		
	5 Years to Total 10 Years Service	10 Years to Total 15 Years Service	First 5 Years	First 10 Years	10 Years Service Col. (2)-(4)	15 Years Service Col. (3)-(5)	5 Years	10 Years	15 Years	5 Years to Total 10 Years 15 Years Col. (2+9)-(8)	10 Years to Total Col. (3+10)-(8)	15 Years to Total Col. (4+11)-(9)
Col. (1)	Col. (2)	Col. (3)	Col. (4)	Col. (5)	Col. (6)	Col. (7)	Col. (8)	Col. (9)	Col. (10)	Col. (11)	Col. (12)	Col. (13)
Age 44			Annuity: \$1,105									
GS-14	\$79,381	\$165,009	\$5,525	\$11,050	\$73,856	\$153,959	(21 yrs)	(16 yrs)	(11 yrs)			
Age 47			Annuity: \$1,265									
GS-15	91,239	189,628	6,325	12,650	84,914	176,978	(18 yrs)	(13 yrs)	(8 yrs)	\$103,536	\$194,439	
Age 47			Annuity: \$1,435									
GS-16	94,419	190,974	7,175	14,350	87,244	176,624	(18 yrs)	(13 yrs)	(8 yrs)	112,669	210,898	
Age 49			Annuity: \$1,585									
GS-17	105,110	212,355	7,925	15,850	97,185	196,505	(16 yrs)	(11 yrs)	(6 yrs)	114,349	208,344	
Age 51			Annuity: \$1,715									
GS-18	107,245	214,490	8,575	17,150	98,670	197,340	(14 yrs)	(9 yrs)	(4 yrs)	122,870	222,895	
							24,010	36,000	24,000	119,235	214,480	

NOTE: Computations are based on the average age (as of 1 January 1963) of potential eligibles and on assumption that individuals would complete exactly five years of service at that age.

Payroll and annuity costs are based on assumption that individual attained his current grade after four years of service at the next lower grade. Adjustments have been made in the salary computations for general pay raises since 1959 and for periodic (now "merit") step increases. Government contributions for retirement, for Federal Employees Group Life Insurance, and for health insurance under the Federal Employees Health Benefits Act have also been included in the computations.